GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3152
ANSWERED ON:10.08.2001
DIRECTORS OF BANKS BOARDS
VILAS BABURAO MUTTEMWAR

Will the Minister of FINANCE be pleased to state:

(a) whether quite a number of banks both in the private and public sectors have stock brokers on their Board of Directors;

(b) if so, the names of banks having stock brokers on their Board of Directors;

(c) whether in the light of collusion between the stock broker directors and the bank management, stock brokers on the banks siphon off the large amounts from the banks for their illegal personal gains;

(d) whether the Government propose to ban the appointment of stock broker directors on the banks; and

(e) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a),(b) & (c) : The information is being collected and will be laid on the Table of the House.

(d)&(e) : A proposal has been received from Reserve Bank of India to debar stock brokers to become directors on the boards of public Sector Banks. The matter is consideration.